# GOVERNMENT OF INDIA
# POWER
# LOK SABHA

UNSTARRED QUESTION NO:789
ANSWERED ON:18.07.2002
EQUITY INVESTMENT FUND
UMMAREDDY VENKATESWARLU

**Will the Minister of POWER be pleased to state:**

(a) whether the Government propose to establish an `Equity Investment Fund` fornewly established power plants and power generating units;

(b) if so, the details thereof;

(c) whether the Equity Investment Fund also seek funds from multi-lateral institutions;

(d) if so, the extent of funds and expected corpus fund likely to be generated;

(e) whether any priority is being given to small hydel projects to encourage eco- friendly sources of power; and

(f) if so, the details of such priority and benefits?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER( SHRIMATI JAYAWANTI MEHTA )

(a) to (d) : The Central Electricity Authority (CEA) has projected a requirement ofcapacity addition of about 1 lakh MW by 2012. This along with associated transmission & Distribution (T&D) system estimated to require an investment of around Rs.8,00,000crores. Power Finance Corporation (PFC) has mooted a concept of India Power Fund

(IPF) to meet the debt and equity requirements for this purpose. The proposal is at present at concept stage.
(e) : Yes, Sir.
(f) : Ministry of Non-Conventional Energy Sources (MNES) is giving highpriority for the development of small hydro power projects (SHP) upto 25 MW capacityin the country. Various incentives such as financial support for detailed survey and investigation for SHP sector, Detailed Project Reports (DPR) preparation, CapitalSubsidy for Government Sector projects and Interest subsidy for private sector and joint sector projects are available to encourage SHP development in the country.